

City of Springfield  
Work Session Meeting

MINUTES OF THE WORK SESSION MEETING OF  
THE SPRINGFIELD CITY COUNCIL HELD  
MONDAY, JANUARY 23, 2006

The City of Springfield Council met in a work session in the Jesse Maine Meeting Room, 225 Fifth Street, Springfield, Oregon, on Monday, January 23, 2006 at 5:33 p.m., with Mayor Leiken presiding.

ATTENDANCE

Present were Mayor Leiken and Councilors Ballew, Lundberg, Fitch, Ralston, Woodrow, and Pishioneri. Also present were Interim City Manager Cynthia Pappas, City Attorney Meg Kieran, City Attorney Joe Leahy, City Recorder Amy Sowa and members of the staff.

1. Police Planning Task Force Application Review.

Senior Management Analyst Mike Harman presented the staff report on this item. There are four existing vacancies on the Police Planning Task Force. One is the School District representative, two are business representative positions and one is a citizen-at-large position. Six candidates have applied.

The Police Planning Task Force received a total of five applications to fill current vacancies. Applications were received from Donald Moloney (a current member eligible for a second term as either a business or at-large position), Ralph (Dave) Jacobson, Mark Molina, Gerald (Jerry) Brown and Rhonda Swanson. In addition, Mindy Stinson was recommended by the Springfield School District as the School District representative. Ms. Stinson's application was received during a later recruitment period; however, due to scheduling it was felt that the interview should occur with the rest of the applicants.

Candidates were interviewed on January 12, 2006. The task force recommends that Mindy Stinson be appointed to represent the Springfield School District, that Donald Moloney and Mark Molina be appointed as business representatives, and that Dave Jacobson be appointed as a citizen-at-large member.

Councilor Fitch asked if she should excuse herself from this topic because one of the applicants was related to her.

Chief Smith said the interview panel noted that all applicants were very well qualified. He asked that the names of the applicants who were not recommended for appointment be kept on file for eighteen months in case a vacancy occurred. Staff could then pull one of those candidates rather than re-advertising.

Council consensus was to retain the names of the applicants who were not recommended for appointment for eighteen months.

Council consensus was to accept the recommendations from the interview panel.

## 2. Community Development Advisory Committee (CDAC) Application Review.

Housing Manager Kevin Ko presented the staff report on this item. One of six at-large positions on the CDAC is vacant. The term for the available position will begin upon appointment by the Springfield City Council and will continue through December 31, 2009.

The CDAC consists of six at-large positions from the community, one representative from the City Council and one representative from the Planning Commission. The CDAC advises the City Council on all matters related to the City's housing and community development activities which are funded annually by Community Development Block Grant (CDBG) funds and HOME Investment Partnership Program (HOME) funds received from HUD. Applications are encouraged from lower income earners, residents of lower income neighborhoods, racial and ethnic minorities, senior citizens, disabled individuals and female heads of households. All applicants must live within the city limits of Springfield.

Three at-large positions were available as a result of the term expirations of Stuart "Corky" Gourley, Patricia Scarci and Elizabeth Stubbs on December 31, 2005. Two of the positions were filled by citizens Andrea Adams and Erin Lynch. The remaining vacancy was re-posted and citizen Diana Garcia submitted an application to serve on the CDAC. Staff is requesting that Council review the application of Ms. Garcia and make a recommendation to appoint her to the CDAC. Should the Council recommend Ms. Garcia to serve on the CDAC, formal approval and appointment will occur at a regular meeting of the Council on February 6, 2006.

Council consensus was to accept the recommendations by the CDAC for appointment.

## 3. 2005 Annual Financial Report.

Accounting Manager Valerie Warner presented the staff report on this item. In accordance with Oregon statutes and the City's Charter, the City is required to complete an annual audit and financial statement. The report will be presented to the City Council at the January 23, 2006, work session and is scheduled for formal acceptance by the consent calendar on February 6, 2006.

Grove, Mueller & Swank, PC, the City's independent auditors, have completed their audit of the City's 2004/2005 Comprehensive Annual Financial Report (CAFR) and have issued their opinion thereon. Mr. Glogau from Grove, Mueller & Swank, PC will review the audit process and discuss the management letter.

As a preliminary summary for the Council's information, you may note that the auditors found no material weaknesses in the City's internal financial controls and they issued a "clean opinion" on the city's annual financial report. This means we are properly accounting for the city's financial resources and that we are using adequate financial controls to help prevent any improper use of those resources.

Ms. Warner noted that staff worked hard and was able to get the report prepared by the December 31, 2005.

Mr. Glogau noted some of the more important aspects of the report. He recommended Council read pages 3 through 15, Manager's Discussion and Analysis. He referred to page 8 in the report, City of Springfield's Change in Net Assets. He said the far right columns showed a comparison between 2004 and 2005. He discussed the figures in the chart under Increase in Assets. He discussed how the City could make a profit, but still need to charge extra for Fire and Police.

Mr. Glogau discussed the major pieces of the profit. He referred to page 9 which showed the expenses. He noted that certain revenue was dedicated for certain expenses. Other 'revenue' included donated infrastructure from developers. That revenue was not cash that could be used to pay for expenses. He referred to page 10, which noted that some of the revenue was capital contributions or designated revenue for the Sewer Fund.

Mr. Glogau referred to page 15 which showed the debt obligation for the City. He said when the City paid off debt, it was not an expense and didn't affect the profit. He explained. The City had a contractual obligation to spend that money to the taxpayers for the bond measures. He said \$1M of any profit the City made was contractually obligated to go towards debt payment. He said the City's wealth did increase by \$10.8M, but more than that was designated for specific purposes or contractually obligated for debt services. He said that was why the City needed to charge more for Police and Fire services.

Councilor Ralston asked if the land donated from the City to Willamalane was subtracted from the City's profit.

Mr. Glogau said that was correct. He said there were many factors that affected the City's ability to provide or not provide services. He had only relayed the major factors. He said from an overall standpoint, it was reasonable to expect that the City had exercised good stewardship in continuing to ask taxpayers to pay additional for the Police and Fire.

Mr. Glogau referred to page 12, last sentence of the fourth paragraph, regarding the General Fund as the chief operating fund of the City of Springfield. The last sentence of the paragraph stated, "Unreserved fund balance represents twenty-seven percent of total General Fund expenditures." He said that meant that on the average the General Fund could go for three months with no money coming in and still be solvent. He discussed whether or not twenty-seven percent was too much or too high. He said that was what happened in the General Fund as most of the revenue came in from property taxes. At the end of the fiscal year, the City needed enough money to carry through until current property taxes came in and enough money on hand to cover unexpected contingencies. He said twenty-seven percent seemed a reasonable amount.

Councilor Lundberg asked about Attachment 2-3, under Engineering Deposits Held for Project Completion. She said there was a recommendation from the auditors about meeting together to revise current procedures so the Finance Department was monitoring. She said it was noted that the Finance Department offered assurance that all deposits were reviewed on a monthly basis. She said she would like something more concrete.

Ms. Warner discussed the variables and projects that certain funds had been held for. She said that was also a concern of hers last year and had since learned, and had seen, that there were records in place to follow those funds.

Councilor Lundberg asked the auditor if this was sufficient or needed additional follow-up.

Mr. Glogau said the Finance Department's response had been adequate. He said they had the same concern that money paid to the City needed to be used for the purpose it was given or to refund it back. Their main concern was that no one would remember what those funds were to be used for. A permanent record was needed to track the deposits. He said he was satisfied that adequate follow-up had been done. If no one knows why the money is there, it must be turned over to the State Division of Lands and it would be divided amongst school districts in the State.

Councilor Lundberg referred to the section on page 2-3, Old Deposits Still Shown as Liabilities. She asked where the \$44,000 had gone.

Mr. Duey said it was in the General Fund reserve.

Mayor Leiken discussed donations and partnerships. He asked Mr. Glogau if he often saw partnering in other municipalities and if it was increasing.

Mr. Glogau said Springfield was on the cutting edge, and other communities had been following. He said there was probably more motivation in Springfield because of the issues the City was facing. He said many communities were facing problems of supporting ambulance services and looking for ways to address that issue. Regarding partnering with private agencies, Springfield was one of the best.

Council commended Ms. Warner for getting the report completed in time.

#### 4. Property Tax Levy for Municipal Jail Operations.

Finance Director Bob Duey and Police Chief Jerry Smith presented the staff report on this item. At the Council's goal setting session on December 05, 2005, staff was directed to proceed with the preparation for a May 2006 property tax levy for the operations funding of the planned municipal jail. This work session is a check-in with Council prior to beginning work on the ballot title for filing with Lane County. The deadline to file with Lane County Elections is March 09, 2006.

Mr. Duey said staff had put together a brief presentation and would then have discussion with Council regarding which option they would like to choose. He said during the Goal Setting Session, Council discussed a property tax levy as a preferred option as it was easy to understand and something that could be explained to the voters. He said staff was looking at the timing factor regarding what could get accomplished in time to fit the construction schedule. They hoped to have construction begin by the end of 2006, and to have funding in place early enough to direct the architects in what Phase I could include. Council had also discussed the conflict that could occur between the current Police and Fire levies and a proposed levy for jail operations in November 2006. He said Council had concerns about a property tax, because it was only a temporary solution rather than something permanent. Discussion had been held regarding whether it would be better to consider a temporary levy to be renewed every four years or to try to get permanent funding after four years. He discussed the timing of a levy proposed by Lane County for Public Safety. One of the alternatives with the County measure was to include funding for the Springfield jail operations, but there was concern whether or not that would come through in time or at all. He said a levy for the jail seemed the best for the May 2006 election.

He referred to three options that were included in the agenda packet. He discussed the options and the advantages and disadvantages for each.

Mr. Duey referred to the chart on Attachment B in the agenda packet. He discussed other revenue options such as charges and fees, and leasing beds. He discussed a possible business license. He discussed the information listed on the chart in relation to the different options. No new information was being presented tonight, just a review of the options.

Mayor Leiken asked about the business license. He asked if the City could do a graduated scale based on calls of service by the Police. He asked about charging more for businesses that had more calls.

Chief Smith deferred the question to Joe Leahy.

Mr. Leahy said he had an earlier inquiry regarding a cost for certain establishments. In order to support that, the City would need factual basis from the Police Department. If that could be demonstrated, there could be a potential to do that.

Mayor Leiken said the Oregon Supreme Court upheld free speech on a business located in Douglas County that would be deemed inappropriate. He said he understood that had been the State's interpretation over the years, and the City could not put together an ordinance prohibiting certain types of businesses. He wondered if a higher fee could be charged based on calls for service.

Mr. Leahy said they could, but they would need to demonstrate the calls for service. In the past, when that information had been requested from the Police Chief, it was found that other businesses that would be considered backbone of the community had more calls for service than those businesses that Council may deem inappropriate.

Councilor Lundberg said she understood that convenience stores received the most calls for service and she discussed why that happened. She discussed first responder fees and other ways to charge people for calls. She asked if there was a charge if someone's alarm went off more than a certain number of times.

Ms. Pappas said that was considered, but was not implemented.

Mr. Leahy said the City used to have an ordinance that allowed the Police Department to levy an assessment or fee if someone's alarm went off more than two or three times. The problem was the Police Department felt the fee interfered with building good relationships with some of the businesses they wanted to be able to work with on some of the crime issues.

Councilor Lundberg said she could understand how that could happen and would hesitate going that direction.

Councilor Woodrow asked if the Council could determine the cost of the license depending on the type of business if a business license was enacted.

Mr. Leahy said they could, but if there was a disparity in the cost of the license, there would need to be some basis for the difference in fee scales. It couldn't be that some businesses were liked and some were not.

Councilor Fitch discussed the option of a Jail Operations Funding levy. She asked if Council was going to choose to put it out to the voters. She asked if Council would tell the voters a jail would not be built, if the levy was defeated in May.

Councilor Woodrow said he agreed there were problems with a four or five year levy. He said he was in favor of Option 3.c, which was to put out a levy in May of 2006. He asked if a double majority was required to pass a levy during the November election. It was not. He noted the other competing measure in November. He said it was his opinion that if the City put the jail funding and Police levy together in May, there was a better chance to get it passed. If it didn't pass in May, they would have November and could decide whether or not to put out the levy again or just put out the Police levy. He said it would give Council time to contact the citizens to let them know that if a levy for Jail Funding did not pass in November, no jail would be built. He said if the Jail Funding and Police levies were combined in May, it could be more solid and there would be better figures. It would be a single issue that would not be competing with Fire and the County. He said he would be out there trying to convince the voters why it needed to be passed.

Councilor Fitch said she had concerns going out early. She asked when it would be determined no jail would be built if the measure failed in May. She discussed cuts in other City departments to fund a jail that were not acceptable. As a Council, when would be the final vote from citizens for Jail Operations Funding.

Councilor Woodrow said if it failed in May, they could bring it back in November after talking with citizens. If it did not pass in November, no jail could be built.

Councilor Ralston said he agreed with Councilor Woodrow. The May election may be the best opportunity. He said the voters made a clear statement when they voted for the bond to build a jail and that was what they wanted. Council's job was to educate the citizens. He said there would be a clear message in May. Waiting until November would be much riskier because of the other measures on the ballot. He said the Council needed to take the lead.

Councilor Lundberg said they would have to overcome the issue of the double majority in May. She also noted that the levy was not her first choice. She discussed a school measure that had failed in May, but was brought back in September and passed. She said it left an opportunity for additional campaigning and education. She said if it failed again in November that would be a strong signal from voters that they did not want the jail to be built. She believed that May would be a good time rather than competing with the County and schools in November. She would like to look at the business licenses fees and other charges as part of a whole package. In the meantime, Council needed to prioritize services.

Councilor Pishioneri said he had three areas of concern. He agreed that the May election could offer the best chance and the City could learn from the May election if it failed and they chose to go forward in November. He said the County's proposal stated that they would fund jail space for \$1.5M and the public would be hearing that. He said there could be public perception that the government was charging twice for the same service. He said another issue was that whether or

not jail funding was found, there would have to be holding cells at the Police facility. He said the Jail would be an expansion of that to accommodate a bigger population.

Councilor Fitch asked what the difference was between holding cells and jail.

Chief Smith said there was a statutory definition for lock-ups, temporary holdings and jails. He said most had to do with services and supervision. He said in a temporary holding cell, people could be held up to four hours. In a lock-up, people could be held for seventy-two hours and a jail for as long as the statute provided. He said the current Police facility had ten cells, and operated on a temporary holding of four hours the majority of the time. Any time longer than four hours, required going through a bureau commander and then the Chief. He said the longer hours required a higher level of supervision and feeding of the inmates. He said temporary cells would not likely bring in additional revenue because of the short time someone could be held.

Councilor Fitch asked if there was a difference in the number of cells allowed for each type of facility.

Chief Smith said ten cells was the minimum, but it could be more.

Mayor Leiken said Lane County's record for passing measures was not good and that was why Springfield was considering this option. He said he did not believe we could get a double majority in May without a strong governor's race and since Kitzhaber announced he would not be running, it didn't look like it would be a strong race. He said the only way was to put out a fierce campaign to try to get people in the community to come out and vote. He said he was proud that the capital bond passed to build a facility, but it was a close race. He said there was not overwhelming support. The double majority was a big issue. He said getting a double majority would rely on the campaign to get people out to vote on this particular issue.

Councilor Ralston said it was a mail-in vote and could be an issue important enough to Springfield to bring out enough voters. He felt Springfield residents would vote whether there was a strong governor's race or not. He said he hadn't talked to anyone in Springfield who thought the Lane County measure would pass. Springfield was in this on their own.

Councilor Fitch asked if there was any savings regarding the design of the facility if the vote passed in May.

Ms. Knapel, Project Manager for the Public Safety Facility, said the facility had been planned in the most economic way, which was a combination of Police, Courts and Jail. She said there would be a premium if the jail was separated out. She said it would not be a large premium. She discussed other issues regarding inflation and the contractor having to come back on-site if the jail were built at a later date. The planning now was the most economical.

Councilor Fitch asked if there were any cost savings to the citizens between a May or November election.

Ms. Knapel said the savings would come if changes were not needed at the last minute. If there was a decision not to go forward with the construction of the jail, the designs would need to change to allow for holding cells. At this time, the holding cells were included in the jail design.

Councilor Fitch asked what the costs would be if the facility needed to be redesigned without the jail.

Ms. Knapel said she did not have a figure, but there would be an additional design cost.

Councilor Fitch said it would be important to know what those additional costs would be so the Council could relay that information to the citizens. Let the citizens know that the Council was bringing it to them in May to build the facility in the most economical way possible.

Ms. Knapel said she could work on those figures and would report back to Council.

Councilor Ralston asked about Attachment B and if there was an error in one of the figures.

Mr. Duey said the third column showed a combination of the two levies, which would reduce the number of Police officers by two, equaling seven cents per thousand. He said it was just an example.

Councilor Ralston asked if combining the Police and Jail levies would save seven cents.

Mr. Duey said it would include losing two police officers.

Councilor Lundberg said if both levies were put out in May, there would be additional explanation needed regarding the length of the levies. She said once a measure became complicated, it failed.

Mr. Duey said the effective date could be July 1, 2007. Voters could be told that the levies would not go into affect until the Police levy expired, so there would be no double taxing.

Councilor Lundberg said it still required additional explanation and could be very complicated for those not immersed in it like the staff and Council. She said it needed to be kept simple.

Councilor Woodrow said Council would need to talk to as many people as possible with the explanation. He said eliminating two officers would not hurt because the jail would be in place and Police officers would not be spending hours at the Lane County Jail.

Councilor Ballew said business licensing was a good thing and was a good way to control zoning. She said if it was tied to something specific, like public safety, it would not be supported because it would seem disproportionate to certain people paying for the service. She said a good argument could be made for a business license, but not designated for public safety. She also noted that the point of tonight's exercise was to determine whether or not people would support more money to staff a jail. She said the only way to know was to ask them. She said the citizens were supportive of the Police and Fire Chiefs and their levies and those should be left alone and put on the November ballot. She said people would continue to support them because they see the value in them. She said the Jail staffing should stand alone. She chose Option 3.a.

Councilor Woodrow said he felt that because of the support of the Police and Fire by the citizens, the Jail and Police levies should be combined. He said it would be an uphill battle either way. He said combining the Police and Jail levies would allow a better explanation of the services. He



agreed that the Fire levy should be left separate. His opinion would be to combine the Police and Jail levies.

Mayor Leiken noted that the current public environment was very anti-tax. He said the Jail levy should go out alone. He said he would talk to the Chamber about the business license dedicated to Jail funding. He said he would not support a business license if it was not dedicated to the jail. He said a combination of a business license, different increases, and charging offenders and bringing the levy figure down to a possible thirty-two cents per thousand would give the City the best chance to pass the Jail levy. He said the Police officers had taken ownership of the levy and he was pleased with that. He said the officers and their families would be out there supporting the Police levy on its own. He said the May election could be a good indicator on the Jail levy, even if a double majority was not reached.

Councilor Lundberg agreed it was an anti-tax climate. She said the numbers from the survey were not high and it would be a tough sell no matter how or when it was done.

Mayor Leiken suggested Council provide staff with direction.

Councilor Woodrow said Councilors agreed that prisoners should be charged. He said he felt business licenses should be dedicated. He said he felt Option 3.c. was the best way, but deferred to the majority.

Councilor Pishioneri said if the Police and Jail levies were combined in the May election, could they be separated for the November ballot.

Councilor Lundberg said that could be decided after the May election.

Councilor Pishioneri said he could support Option 3.c., but would want it separated out in November. He did not want to risk the Police levy.

Council discussed which Option they preferred.

Councilor Fitch asked for hard numbers for the levy amount and what it would cost to open the doors of the jail.

Councilor Lundberg said another survey would cost about the same as putting it on the ballot.

Councilor Fitch noted there was no union behind the jail operations funding. She was concerned about who would be campaigning for this levy.

Chief Smith said the union would be behind it, but there would be concerns. He said the real concern was what would happen in November for Police levy.

Councilor Woodrow said if the levies were combined in May there could be a stronger support from the unions.

Discussion was held regarding level of support from the union for both levies.

Councilor Lundberg said she anticipated a committee that would champion a campaign.

Chief Smith said the union president was ready to get it done.

Councilor Ralston said he looked at May as the true vote, not an advisory vote. He said it was up to the Council to sell it to the voters. He said there was a lot of support for the jail when they had heard how many criminals weren't going to jail. He said the citizens needed to be fired up again and convinced that May was the time to pass this measure. Anything that would make the argument stronger would be a benefit and he felt combining the two would show an economy.

Chief Smith said if the jail levy passed, two less Police officers would be hired with the Police Levy. He said if a jail was not built, additional officers would eventually need to be hired.

Mayor Leiken discussed the arsonist that was matrixed out of the Lane County system that had fired people up on the jail issue. That capital campaign was based on closing the revolving door and was very high profile. He said those types of issues brought out the voters. He felt it would be better to put out the Jail levy on its own rather than jeopardize the Police levy.

Councilor Lundberg said it was time for Council to decide.

Councilor Woodrow said Council chose Option 3.a., which was to put the Jail levy on its own on the May ballot. He asked if it would make sense to wait and put the Police levy on in November. Yes. He asked if the Police levy would be jeopardized being on the same ballot as the Fire levy and County measure.

Mayor Leiken said it would not. Springfield understood the Police and Fire levies.

Councilor Lundberg said it helped to keep it less complicated. She said the Springfield voters were savvy enough to know the separation between the Springfield and County measures.

Councilor Pishioneri said there were a number of people who thought that when they voted for the Public Safety Facility, they voted for the jail. He said putting the jail up on its own would be best as it would continue the process the voters had approved. He said the voters would still vote for the Police and Fire levies.

Councilor Woodrow said he would agree to go out with the jail alone. He asked Councilors to go out and support the Jail levy as strongly as they could.

Mayor Leiken said he would be advocating for the Jail levy as much as he could. A citizen needed to come forward and Chair the Political Action Committee (PAC).

Mr. Duey said staff would bring back a couple of dollar amounts between thirty-three and eighty cents per thousand for Council's final decision.

#### ADJOURNMENT

The meeting was adjourned at 6:55 pm.

Minutes Recorder – Amy Sowa

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Sidney W. Leiken  
Mayor

Attest:

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Amy Sowa  
City Recorder